BIDWELLS

Date: 16/09/2026

Cambridge City Council
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Dear Sir / Madam

GREATER CAMBRIDGE SUBMISSION LOCAL PLAN CONSULTATION
AFFORDABLE WORKSPACE POLICY J/AW - VIABILITY REPRESENTATIONS

Bidwells is instructed by a consortium of clients to provide a response to the current consultation being undertaken jointly by Cambridge City Council's ('CCC') and South Cambridge District Council ('SCDC') (together, 'the Councils') on the Proposed Submission Greater Cambridge Local Plan (Regulation 19), which opened for consultation on the 3 August 2026 and closes on 25 September 2026. This representation has been prepared to provide comments and supporting evidence in relation to Policy J/AW: Affordable workspace and creative industries.

A key part of the evidence base informing Policy J/AW comprises the Greater Cambridge Affordable Workspace Study ('the AWS') undertaken by Iceni Projects, dates June 2026, and the Greater Cambridge Local Plan Viability Assessment ('the LPVA') undertaken by Aspinall Verdi ('AV'), dated July 2026. The AWS informed the policy parameters proposed – including the applicable discount rates, floorspace thresholds and delivery mechanisms – whilst the LPVA has tested the viability of the policy, in addition to the Plan's other proposed requirements, across a range of commercial development typologies. This representation focusses on responding to the key assumptions and testing methodology adopted within the LPVA, insofar as they relate to the viability of Policy J/AW.

We have reviewed the LPVA and have concerns regarding the appropriateness of some of the assumptions and testing parameters that have been adopted. This means that the demonstrated viability of Policy J/AW, and therefore the basis for concluding that commercial development can absorb its costs without prejudicing deliverability, is not as robust as the LPVA's stated conclusions suggest.

Whilst the LPVA includes commercial appraisal testing across a range of typologies, in our view, the parameters actually tested do not correspond to the discount and floorspace requirements set out in Policy J/AW as submitted, and that no results have been reported for the policy-compliant scenario itself.

In our opinion, this compromises the reliability of the evidence in demonstrating that the policy, as drafted, is viable across the range of development typologies and locations to which it will apply.

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1.0 The Cumulative Burden of Policy J/AW on Plan Delivery

The Greater Cambridge Local Plan, including Policy J/AW, will be assessed against the NPPF (2024). Paragraph 36 is clear that in examining local plans they are assessed as to whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are considered to be sound where they are:

a) Positively prepared – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;

b) Justified – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;

c) Effective – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and

d) Consistent with national policy – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.

The tests have to be applied to Policy J/AW having regard to all other policy 'asks' relating to commercial development and not in isolation.

Policy J/AW is not the only new cost commercial development in Greater Cambridge will need to absorb. Over a similar timeframe, schemes will also need to accommodate Biodiversity Net Gain, sustainable transport requirements, open space and tree canopy requirements (impacting development densities), net-zero carbon and other emerging building performance standards, and the usual range of Section 106 and CIL infrastructure contributions. The LPVA tests some of these individually. What is not clear is whether the Council has stood back and asked whether taken together, all of these costs leave commercial development deliverable.

It must be asked whether there are any further existing or emerging requirements – whether already adopted or in preparation – that will add to this burden before the Plan is adopted. If there are, they should be brought into the same cumulative assessment.

Timing is also a concern. The Councils consulted on a draft Community Infrastructure Levy (CIL) charging schedule between February and March 2026 and have indicated their intention to submit it for independent examination, a process proceeding separately from, but in parallel with, the preparation of the Local Plan. Introducing Policy J/AW at the same time as a new CIL charge, in addition to an already growing list of other planning obligations, increases the risk that the cumulative position will reduce the viability of commercial development.

The cumulative effect of these policy burdens, coupled with the introduction of CIL, risks creating a position where commercial development viability is significantly impaired. In such circumstances, development will either fail to come forward at all, or critical elements such as design quality, sustainability performance, or biodiversity enhancements will inevitably be sacrificed. This outcome would be directly contrary to the local and central aspirations for high-quality and sustainable growth in the region.

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We have concerns therefore that the Council's evidence base does not adequately consider the 'cumulative burden' of all new/recent policies on commercial development. Even if it has considered this, it is not clear from the LPVA.

We note that Policy J/AW is being introduced at a point when the commercial market itself is not straightforward. The LPVA's own Commercial Paper describes the Cambridge life sciences market as still facing *"turgid conditions"* (LPVA, Commercial Paper, para 4.32, citing the Cheffins Datapoint Report 2025).

Laboratory vacancy rose to 13% by the end of 2025, almost double the level recorded a year earlier, driven by the delivery of speculative laboratory space at schemes including The Press Phase 2, Mission Street, South Cambridge Science Centre and CamLIFE 3 (para 4.18, citing DTRE, Science & Technology Report: Golden Triangle, Q4 2025). Take up for 2025 totalled 96,100 sq ft, below the 139,000 sq ft five-year average and down 1.2% on 2024 (para 4.17, same source). Nationally, the RICS UK Commercial Property Monitor (Q4 2025) records continuing weak investment enquiries and elevated borrowing costs weighing on market sentiment (para 3.2).

We therefore request that it is clearly demonstrated, through a combined assessment rather than policy-by-policy testing, that Policy J/AW can be absorbed alongside the full range of other obligations and costs identified above, taking into account the current market conditions and the parallel CIL process.

We anticipate that it may be contested that this has already been addressed through the LPVA and/or the CIL Viability Assessment. We do not consider that either document discharges this requirement. The LPVA's appraisals include CIL, Section 106, net-zero carbon and biodiversity net gain as individual cost lines within the same appraisal, but nowhere do they test the sensitivity of the Policy J/AW conclusions to combined movement in these costs together. For example, an increase in the CIL rate arising from its own present examination occurring at the same time as a correction to the Essex-sourced net-zero and biodiversity net gain allowances addressed above.

The CIL Viability Assessment, in turn, addresses a narrower question – the viability of the proposed CIL rate itself – and does not test that rate alongside Policy J/AW or the Plan's other obligations. Its own assumptions have separately been questioned in representations made on the draft CIL charging schedule.

Finally, we note also that at present, only the ability to qualify for making a Payment in Lieu (PIL) of on-site affordable workspace is subject to viability. Such an approach is too inflexible in our view, and we consider that the whole policy should be subject to viability, not just the PIL element. Making the whole policy subject to viability would be in accordance with national planning policy.

2.0 The Local Plan Viability Assessment (July 2026)

We have reviewed the Council's Local Plan Viability Assessment (LPVA), undertaken by Aspinall Verdi (AV) in July 2026. We have concerns over the robustness of some of the cost and value inputs that have been adopted. Consequentially, we have reservations as to the veracity of the conclusions in so far as the Council considers Policy J/AW is viable.

Policy J/AW requires 10% of floorspace at a discount of 30% (Cambridge and established science parks) or 20% (elsewhere in South Cambridgeshire, and for industrial). Every typology in the LPVA was instead tested at 20% of floorspace and a 40% discount – double the 'ask', applied uniformly regardless of the location. AV's justification (para 8.4) is that if the higher percentage scenarios are viable, the lower ones must be too. Logically, this makes sense, however it means that none of the reported "Viable" conclusions

show the actual margin at the policy-compliant figures, which matters most for the tighter typologies such as industrial.

Separately, The LPVA's conclusion that Policy J/AW is viable rests on the combined effect of its revenue and cost assumptions, not on either being tested independently. Our review of the LPVA indicates that the rental values adopted sit toward the top of an achievable range, and the associated costs toward the bottom, with the combined effect of presenting a more optimistic viability position than is likely to be achievable across the Plan area as a whole.

For example, in terms of gross development value (GDV), the LPVA applies a single Laboratory (Fringe) rent of £70.00 per sq ft across every typology it tests, regardless of location. That figure sits at or above the strongest rents being achieved in Greater Cambridge's established science park locations. By way of comparison, a 31,000 sq ft shell and core lab letting at the Orion Building, Unity Campus – one of the science parks specifically named in Policy J/AW as qualifying for the higher discount tier (Policy J/AW, criterion 1a and para 8.40) – was agreed at £44.00 per sq ft, over a third below the LPVA's assumed rate.

If a rate close to the top of the market is not reliably being achieved even at one of the policy's own named premium locations, applying that same premium figure uniformly across the wider area risks materially overstating the viability position on which the policy relies.

Similarly, prime yields of 5.25% have been adopted in respect of all Laboratory accommodation. In our view, such a yield could be achievable in certain prime locations. However, not in all. We do not consider it reasonable to apply prime yields on a blanket basis, across the entire Plan area, without adjustment for location.

Moreover, there appears to be several irregularities in AV's Science Park appraisals. Firstly, we note that they have applied a yield of 8% to their office income when calculating the capital value of the office accommodation. Where AV have tested the ability of this typology to sustain affordable workspace, they appear to have adopted a keener yield of 5.75% for the 'discounted workspace', essentially moving the yield in by 2.25%.

This is counterintuitive in our view. Given that the envisaged tenants of any discounted workspace are in their nature likely to be of a weaker covenant strength compared with those tenants that will pay full market rent, the discounted workspace yield should be moved out (from 8.0%) to reflect this increased risk, and not in.

We note that AV adopt the same yield of 5.25% for both the market and discounted laboratory accommodation in the same appraisal. Again, in our view the discounted workspace should command a higher yield than the market lab space, for the reason set out above.

It should be noted that Bidwells submitted representations to the proposed Greater Cambridge Draft CIL Charging Schedule during the consultation period in March 2026. As part of these representations, Bidwells submitted a Viability Technical Note on behalf of multiple clients, which critiqued the CIL Viability Assessment (the "CIL VA") undertaken by Quintic Advisory.

Our Viability Technical Note included commentary on the various commercial markets also considered in the AV LPVA, including office and laboratory rents and yields. This commentary is highly relevant for the purposes of this Local Plan representation also. Our CIL Viability Technical Note is included at **Appendix 1**.

It is material to highlight that the Councils have commissioned two separate area-wide viability assessments from two different consultants at a similar time – the Quintic CIL VA dated January 2026, and the AV LPVA dated July 2026, for two different policy purposes. Having reviewed both assessments, we note that there are numerous instances where different cost and value assumptions have been made by

both consultants, whereas we would expect there to be more consistency. No reason for the different viability assumptions has been provided.

Given the material impact of both the introduction of CIL and Policy J/AW, these differences should be explained.

In terms of costs, we have concerns regarding the Benchmark Land Value (BLV) assumptions applied to the commercial appraisals. The BLV represents the minimum value a landowner would need to receive to release a site for development, and it is deducted from the Residual Land Value to calculate the viability "surplus" reported for each typology – the lower the BLV, the larger the surplus, and the more viable a scheme appears.

Our review indicated that the BLVs used for the commercial appraisals are not derived from any distinct commercial or employment land evidence. Instead, they are identical to the generic land value matrix used elsewhere in the LPVA for residential typologies. For example, the Science Park (A) appraisal, a greenfield site, adopts a BLV of £100,000 per acre – the same figure used for a residential "Edge of Cambridge A" category.

The Cambridge CBD Office (C) appraisal, a brownfield site, adopts a BLV of £600,000 per acre – the same figure used for the residential "Urban A" category. We have not identified any commercial or employment-specific land transactions in the LPVA's evidence base (Appendix 4, Land Market Paper) that were used to derive these figures.

This is material because Cambridge's office and laboratory market is one of the strongest in the UK, outside of London, as the LPVA's own Commercial Paper demonstrates. A benchmark genuinely derived from commercial or employment land transactions would, in our view, likely be higher than a rate carried over from residential redevelopment values. If so, the BLV understates what a landowner would actually require to release a commercial site for development, which in turn overstates the calculated surplus – and therefore the LPVA's conclusion that Policy J/AW is viable.

In terms of build costs, we note that median rates sourced from the RICS Build Cost Information Service (BCIS) have been adopted. Whilst this is not an uncommon approach utilised in area-wide viability assessments, in our experience, the adopted BCIS median benchmarks are likely to reflect conventional or generic commercial specifications, rather than the high-quality, sustainability-led commercial developments that are typically delivered in the local market.

For example, we have reviewed AV's Science Park build cost allowance of £3,835 per sq m (£356 per sq ft), reflecting the BCIS median rate for 'Research Facilities – General'. This has been applied to the Laboratory space in AV's Science Park appraisals and looks low in our view.

Cambridge is not a typical UK office or science market. Many life sciences developments include specialist elements and facilities, including:

a) Wet and dry laboratories;

b) Complex MEP systems;

c) Enhanced servicing requirements and ventilation systems;

d) Highly specialist fit-out specifications; and

e) Higher floor loading and resilience requirements.

Given the generic nature of AV's build cost assumptions, it is not clear whether they factor in reasonable allowances for the above specialist market requirements tailored to the Greater Cambridge area.

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We also note that AV's laboratory build cost rate is materially lower than all of the office/laboratory 'real world' build cost evidence Bidwells provided in our CIL Viability Technical Note, which ranged from £364 per sq ft (for a new build lab enabled office development in Q4 2024) to £450 per sq ft (for a new build office / laboratory development currently at the pre-planning stage). Further information in this regard can be found at **Appendix 1** (pages 7-8).

All of AV's commercial appraisals include a cost of £146 per sq m for planning contributions and infrastructure (on-site/S106/S278). The source of this figure is referenced as the AtkinsRealis draft Infrastructure Delivery Plan (IDP).

We note from Table 5.20 of the LPVA, summarising the draft IDP, that the £146 per sq m appears to have been derived from a funding requirement rather than observed market evidence. In viability terms, planning obligations should typically be tested against:

a) Actual S106 agreements;

b) Emerging policy requirements;

c) Known infrastructure contributions; and

d) Market evidence.

Instead, AV's methodology appears to start with what appears to be a large infrastructure funding requirement of £1.17776bn (for both residential and commercial) and then allocate that cost across future development.

We query this approach on the basis that a Local Plan Viability Assessment should test whether policy is deliverable, not start from the express assumption that development can absorb an identified infrastructure funding gap.

We also query why the IDP appears to exclude allowances for several utilities, including power, water supply and wastewater, drainage and flooding. These are likely to have significant cost implications. This exclusion should be explained.

Alongside the fact that there has been no cross-check against actual strategic employment site obligations/infrastructure costs, this leads us to believe that the £146 per sq m figure may materially understate the true infrastructure burden associated with delivering commercial development in the Greater Cambridge area.

In terms of AV's other cost assumptions, we have reviewed Table 5.26, which we re-provide overleaf, including our comments on AV's assumptions.

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Category	Item	Assumption / Rate	Bidwells Comments
Sustainability	Net Zero costs – Commercial	+4% (offices)	This is based on Essex Net Zero Policy and not Cambridge. We query its relevance accordingly.
		+13% (industrial)	
Contingency	Contingency Allowance	3% (Greenfield)	We do not consider 3% contingency an industry standard contingency for Greenfield development. 5% is a standard assumption for both Greenfield and Brownfield development. We are happy to review any evidence AV have to substantiate 3%.
		5% (Brownfield)	
Environmental	Biodiversity Net Gain (20%)	£69,640 per ha (Greenfield)	No comments.
		£25,575 per ha (Brownfield)	
Professional Fees	Design & Project Fees	10%	Acceptable – standard assumption.
Agents, Marketing & Sales	OMS Marketing & Promotion	1.5% of OMS GDV	This may relate to residential rather than commercial.
Agents, Marketing & Sales	Sales Agent Fees	1%	Acceptable – standard assumption.
Agents, Marketing & Sales	Sales Legal	£500 per unit	This appears to relate to residential testing, so potentially an error. The industry standard assumption is 0.5% of GDV.
Agents, Marketing & Sales	Letting Agents	10% of first year rent	Acceptable – standard assumption.
Agents, Marketing & Sales	Letting Legal Fee	5% of first year rent	Acceptable – standard assumption.
Finance Costs	Debit Interest	7%	Acceptable – standard assumption at the current time.
Profit Assumptions	Profit on Cost	15%	This is understated. See below.

We note AV have tested their commercial typologies adopting a developer's profit assumption of 15% profit on cost. We do not consider this to comprise a realistic assumption and note that this equates to only c. 13% profit on GDV. This is therefore below the lower end of the 15%-20% profit on GDV range set out in the Government's Planning Practice Guidance (PPG) for viability testing. This is too modest in our view, particularly given the high capital costs, leasing risk and recent softening in occupational markets in Cambridge. The assumption risks overstating viability and the ability of commercial development to absorb policy requirements.

In summary, our review of the LPVA indicates that AV's testing has adopted overly optimistic value-side assumptions and overly conservative cost-side assumptions. The net result is that an overly positive view of commercial viability has been reported. We are concerned that the Council has reached the conclusion

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that commercial developments can readily absorb the financial impact of Policy J/AW when had more realistic viability testing inputs been adopted, the same conclusions may not have been reached.

3.0 The in-perpetuity requirement

From our review of Appendix 8 of the LPVA we note that AV's commercial appraisals model the affordable workspace assuming a discount in perpetuity. The alternative would have been to model a discount for a term (period) of say 10-15 years, followed by a reversion to market rent. This appears not to have been considered in the LPVA. The Council's proposed discount in-perpetuity approach is important to highlight, because under this approach the capital value of qualifying commercial developments will be reduced for as long as the proposed policy is in place.

Unlike one-off planning contributions, a perpetual restriction suppresses rental income indefinitely. Investors and lenders value commercial property based on future income streams. Consequentially, a planning obligation lasting forever will have a far greater impact on investment value than a requirement lasting 10, 15, or 20 years.

It is not clear why the LPVA has not tested alternative approaches. In our view, the Councils have not demonstrated why a perpetual restriction is necessary when shorter-term arrangements could deliver the same policy objective whilst having a materially lower impact on development viability.

We query the appropriateness of this in-perpetuity approach, as it imposes a permanent burden on commercial developments, irrespective of future market conditions. Commercial property markets evolve over time – rental levels fluctuate, yields move in and out and occupier demand changes. We consider that a more nuanced and flexible approach should be taken; an approach that has the potential to respond to changes in commercial property markets.

The Iceni study itself acknowledges that affordable workspace policies across the country operate with a range of durations, ranging from around 15 years to in-perpetuity. The Councils have adopted an in-perpetuity approach, however, the evidence does not suggest that this is the only (or most appropriate) approach in this instance.

The evidence demonstrates that a range of delivery models are available. We consider that the Councils have not sufficiently justified why the most onerous option, namely a discount in perpetuity, has been selected over less restrictive alternatives.

We conclude on this point therefore that Policy J/AW should be updated so that the duration of any affordable workspace obligation is to be determined on a case-by-case basis, having regard to viability, development type and scheme-specific management arrangements.

4.0 The Proposed Floorspace Thresholds

Policy J/AW applies a 1,000 sq m threshold to office and R&D development (para 1) and a 2,500 sq m threshold to industrial and storage development (para 2), each applied uniformly across the whole plan area. We ask the Council to set out the evidence supporting the office/R&D threshold specifically, and why a single figure has been applied to both Cambridge and South Cambridgeshire.

The Affordable Workspace Study's own comparator review (paras 10.5–10.6) records thresholds elsewhere ranging from 500 sq m (London Borough of Southwark) to 3,000 sq m (London Borough of Brent), with 1,000 sq m a common figure among the boroughs reviewed (including London Boroughs of

Waltham Forest and Wandsworth). On this basis alone, 1,000 sq m cannot be characterised as low relative to the comparators the Council has itself relied upon.

The comparator set is, however, drawn entirely from Inner and Outer London boroughs. None represent the more dispersed, rural and science-park-led economy found across South Cambridgeshire. The single non-London reference point in the evidence base, Oxford, relates to a different mechanism (Community Employment and Procurement Plans) rather than affordable workspace. The read-across used to justify applying a threshold calibrated against dense, high-value London markets to South Cambridgeshire's very different commercial geography has not, in our view, been evidenced.

This is a real inconsistency in the policy's own logic: Policy J/AW already differentiates the discount rate by location, recognising Cambridge and South Cambridgeshire as distinct markets (30% within Cambridge and established science parks; 20% elsewhere). No equivalent differentiation has been applied to the floorspace threshold, and no explanation is given for why locational variation matters for one variable but not the other.

We note that the LPVA's commercial appraisals test typologies at both 1,000 sq m and 2,500 sq m GIA, so viability evidence exists at both sizes. This appears to reflect the two building sizes selected for appraisal purposes generally, rather than a specific test of where the qualifying threshold should sit.

We ask the Council to confirm whether this testing informed the choice of 1,000 sqm as the office/R&D trigger and, if so, why that figure was preferred to 2,500 sqm – the size already adopted as the trigger for industrial development under the same policy.

The practical applications of the proposed policy should also be fully considered. We note that 10% of a 2,500 sq m industrial unit would indicate an affordable unit of 250 sq m. An industrial unit of 2,500 sq m is already towards the lower end of the range of industrial unit sizes that would expect the market to seek to deliver, meaning that a unit measuring only 250 sq could be perceived as unusually small, even if it were to be offered on affordable terms. There may also be instances where scheme design and practical feasibility prohibit division of industrial and warehousing accommodation in this way. Rigid application of the policy could, in such cases, compromise delivery of industrial accommodation from a practical feasibility perspective in addition.

Moreover, we note that at the previous (Reg 18) consultation stage, the Councils suggested a floorspace threshold of c. 2,500 sq m of employment floorspace as one of the potential policy approaches under consideration. The Reg 19 consultation now applies to office/R&D schemes from 1,000 sq m.

The Council should clearly explain the evidential basis for this substantial reduction in threshold and demonstrate through viability evidence that the revised policy remains deliverable across the range of office and R&D schemes likely to come forward in the Plan period.

We note that the Iceni Affordable Workspace Study (2026) recommends reducing the threshold for Office and R&D development from the 2,500 sq m threshold consulted upon at Draf Plan stage to 1,000 sq m. However, the report does not appear to contain any specific evidence demonstrating why 1,000 sq m represents the appropriate threshold for Greater Cambridge.

The recommendation appears principally informed by benchmarking against affordable workspace policies adopted elsewhere rather than analysis of local development patterns, scheme viability, or the proportion of future employment development captured at different thresholds. Accordingly, the evidential basis is unclear.

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5.0 The development typologies tested

Policy J/AW applies to a broad range of office, R&D, laboratory and industrial development across Greater Cambridge. We have concerns as to whether the LPVA's commercial appraisals reflect the range of distinct building typologies actually being delivered in the Greater Cambridgeshire market, as opposed to a small number of generic commercial typologies.

The LPVA tests a single "Science Park" typology at two building sizes (1,000 sqm and 2,500 sqm GIA), and in both cases the office and laboratory floorspace is split in an identical 35:65 ratio. The two appraisals test the same building composition scaled up, rather than two different compositions. No appraisal in the LPVA tests a lab-dominant building, an office-led hybrid or any other office/lab mix, nor is any distinction made between wet labs, dry labs, life science, highly serviced R&D facilities or innovation centres. Again, all of which are established typologies within the Greater Cambridge market.

This matters because the Council's own evidence recognises that these typologies behave differently. The Greater Cambridge Growth Sectors Study (Iceni Projects, September 2024), referenced within the LPVA's own Commercial Paper, distinguishes "dry lab" space (ICT/physical sciences) from "wet/dry lab" space (life sciences) as separate categories, and identifies different market conditions for each – a forecast oversupply of dry lab space, against a balanced position for wet labs. The LPVA's viability testing does not reflect this distinction as both are captured within the same blended typology.

The real market evidence within the LPVA's own Commercial Paper illustrates the diversity this generic approach does not capture. Recorded lab transactions range from shell and core space, through fully fitted units, to bespoke facilities such as the Bennett Building at Babraham Research Campus – described in the LPVA's own evidence as a "specialist wet laboratory facility designed for biotech and chemistry users." These are materially different products, serving different markets and requiring different levels of investment, yet the LPVA's testing does not distinguish between them and the associated costs.

We do not consider it necessary or proportionate for the LPVA to test every typology individually. Our concern is that the range currently tested is narrow in relation to the current market offering Policy J/AW will apply to. We ask the Council to confirm whether more differentiated typology testing was considered and, if not, that this be addressed before the evidence is relied upon to demonstrate that Policy J/AW is viable across the full range of development it will affect.

6.0 The impact on Brownfield sites

AV note that any obligation which increases redevelopment costs can postpone or reduce the redevelopment of brownfield sites, also noting that brownfield redevelopment is fundamentally more sensitive to additional policy burdens than greenfield development.

We have several reservations in relation to AV's modelling of Brownfield sites, which in our view is ultimately leading them to overstate the viability of commercial developments in the GC area and thus their ability to sustain affordable workspace.

AV's testing of commercial developments on Brownfield sites appears to be relatively limited.

Many of GC's future commercial redevelopment opportunities are likely to involve redevelopment of existing employment land / previously developed land. However, virtually the entire science park and office park testing has been undertaken on a Greenfield basis.

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The viability evidence therefore disproportionately testes Greenfield commercial typologies and does not adequately assess the impact of Policy J/AW on Brownfield employment redevelopment opportunities. We query the robustness of this approach.

Moreover, Brownfield-specific costs also appear to be unrealistically low. For example, the CBD office model (C) assumes demolition/remediation costs of £8,754, this being the product of £122,550 per ha (£50,000 per acre) applied to the site area of 0.07 ha. In our view, such an allowance is de minimis and almost certainly serves to underestimate the realistic demolition/remediation costs for delivering Brownfield development. It is not clear what the source of AV's £122,550 per ha allowance is, which should be clarified.

For reference, we note that the equivalent costs for CBD office model (D) are £25,746. Industrial demolition/remediation costs are £51,063 (Industrial H) and £102,125 (Industrial H2). All of these costs appear unrealistically low in our view and indicate that the Brownfield status of the typologies is not being sufficiently reflected in the analysis.

The Brownfield appraisals appear to omit abnormal costs, with AV stating in Table 5.26 they have assumed that abnormal costs should be deducted from land value. We query the robustness of this approach when in reality a key reason why Brownfield developments are more challenging to deliver over Greenfield developments is due to abnormal costs and the negative impact that they have on viability.

We conclude on this point therefore that the AV evidence does not sufficiently differentiate between Greenfield and Brownfield development scenarios, with the costs associated with delivering Brownfield development understated.

Given that AV themselves note that any obligation which increases redevelopment costs can postpone or reduce the redevelopment of brownfield sites, in our view, AV have not sufficiently demonstrated that the Council's affordable workspace requirement will not adversely affect the timing and deliverability of Brownfield employment redevelopment.

7.0 Conclusions

As set out herein, we have several reservations regarding the proposed workings of draft Policy J/AW and the evidence base upon which it has been tested.

Whilst the objectives of supporting start-up businesses, SME's and the creative sector are understood and supported in principle, concerns remain regarding the evidential basis for key elements of Policy J/AW, particularly the in-perpetuity requirement, the proposed reduction in the office and R&D threshold to 1,000 sq m and the cumulative impact of the policy when considered alongside the wider requirements of the Draft Local Plan.

The Affordable Workspace Study demonstrates a clear need for additional affordable workspace provision, but provides limited justification as to why a 1,000 sq m threshold has been selected in preference to alternative thresholds previously consulted upon.

More flexibility is needed within the policy in order that it can respond to fluctuating market conditions. The in perpetuity requirement should be revisited to allow for the duration to be considered on a case-by-case basis.

More fundamentally, the policy introduces a potentially significant additional burden on commercial development in a market that is already expected to absorb a wide range of infrastructure, sustainability and place-making requirements. There remains a risk that the policy could discourage or constrain the

delivery of office and R&D floorspace, particularly on smaller and medium-sized schemes, thereby undermining the competitiveness of Greater Cambridge as a location for business investment and growth.

In the absence of more robust evidence demonstrating that the policy can be accommodated without affecting delivery, reservations remain as to whether Policy J/AW strikes an appropriate balance between securing affordable workspace and maintaining the viability and deliverability of the employment development needed to support the Local Plan's growth strategy.

In summary, whilst we do not object to the policy in principle and we acknowledge the benefits that such a policy could bring, we conclude that the draft policy requires revisions in order that it can be justified, effective and consistent with national planning policy.

Yours sincerely

Alex Brown MRICS MRTPI
Partner, Land & Development

Signed for and on behalf of Bidwells LLP

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Date: 27/03/2026

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Dear Sir / Madam

COMMUNITY INFRASTRUCTURE LEVY DRAFT CHARGING SCHEDULE
VIABILITY REPRESENTATION

Bidwells is instructed by a consortium of clients to provide a response to Cambridge City Council's ('CCC') consultation on its draft Community Infrastructure Levy ('CIL') Charging Schedule dated January 2026. This representation has been prepared to provide supporting evidence in response to Question 5 of the consultation questions.

A key part of Greater Cambridge's evidence base informing its proposed CIL rates comprises the CIL Viability Assessment ('CIL VA') undertaken by BNP Paribas (now Quintic Advisory (QA)), dated January 2026. The CIL VA tests the viability of different development typologies and their ability to sustain the cost of CIL without compromising viability (and therefore the delivery of planned development in Cambridge). This representation focusses on responding to the key assumptions that have been made in Greater Cambridge's CIL VA.

We have reviewed the CIL VA and have concerns regarding the appropriateness of some of the assumptions that have been adopted. This means that cumulatively, the viability of the various typologies that have been tested and thus their ability to sustain the cost of CIL is being overstated.

Whilst the CIL VA analysis includes some stress testing of CIL rates in recognition of potential cost and value fluctuations over the market cycle, in our view, a number of the baseline assumptions remain inappropriately optimistic for a study designated to encompass development viability across a broad geographical area and time period.

In our opinion, this therefore compromises the effectiveness of the sensitivity analysis in ensuring that the required viability 'buffers' are accounted for within the proposed CIL rates.

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Our responses to the CIL VA methodology and assumptions are set out below:

Basis of the CIL VA

We agree with the approach taken within the CIL VA in adopting present day market inputs, rather than relying on projected future growth. This is consistent with national Planning Practice Guidance, which is clear that viability should be informed by current market evidence and should not depend on optimistic assumptions regarding future increases in development value.

It is important to highlight however, that in the current economic context development viability is affected by slower economic growth, increased construction costs, and a constrained housing market. These factors place increasing pressure on development margins and must be appropriately reflected in the viability evidence base.

It is therefore important that the assumptions underpinning the CIL VA are not only based on present day inputs, but are also appropriately conservative, ensuring that CIL rates are not set at levels that could compromise viability.

Where appraisal inputs appear optimistic or insufficiently evidenced, there is a risk that the CIL VA may overstate the ability of development, just to absorb additional CIL funding, notwithstanding the use of a present day assessment approach.

Typologies Tested

The CIL VA states that 48 development typologies have been tested. Whilst this represents an evidenced number of scenarios, it is not clear whether these typologies fully reflect the diversity of development forms likely to come forward within the Greater Cambridge area over the plan period.

In particular, the assessment does not clearly demonstrate whether emerging residential formats such as Build-to-Rent, Co-Living or Retirement Living have been appropriately tested within the CIL VA. These models must be considered alongside the more established Leisure, Office, Hotels and Industrial and Logistics uses, given the differing costs and margins.

Given the growing diversification of residential development in and around Greater Cambridge, a failure to properly represent all of the above the above range of development types may result in an assessment that does not fully capture the differing uses/arms of the market.

Strategic Sites

Strategic sites often carry a significantly greater infrastructure burden than the more immediate or infill sites. These sites of scale frequently require the delivery of major infrastructure, such as:

- New highway infrastructure and road networks
- Public transportation
- Education facilities
- POS and community facilities

In recognition of this, some local authorities adopt nil or reduced CIL rates for strategic sites, reflecting the substantial infrastructure obligations that are already secured through Section 106 agreements.

A clear example is provided by Peterborough City Council, which through its adopted CIL Charging Schedule exempts residential developments comprising 500 or more dwellings. This reflects the principle

that infrastructure for major strategic developments is often delivered primarily through Section 106 obligations, and that the imposition of CIL in addition may risk either double counting infrastructure contributions or undermining scheme viability.

The CIL VA itself acknowledges this burden by adopting an allowance of £46,000 per dwelling for major identified strategic site allocations (typologies 22 – 26). The CIL VA also notes that the actual level of Section 106 contributions will ultimately be subject to site-specific negotiations through the development management process.

Therefore, as these sites already have such a vast infrastructure burden associated with the planning permission, the CIL VA should recommend setting a CIL rate of £0 for strategic developments. This is particularly relevant in the current market with increasing planning and infrastructure costs, already testing development viability.

Appraisal Assumptions

1. Revenues

Residential Sales Values

The residential sales value evidence within the CIL VA demonstrates that Greater Cambridge is not a uniform market. The report's own Land Registry analysis identifies a very wide spread of achieved values across the area, ranging from around £322/sq ft in locations such as Six Mile Bottom and around £369–£398/sq ft in settlements such as Papworth Everard, Cambourne and Northstowe, compared with values in Cambridge City rising to £546–£678/sq ft across many urban postcodes and up to £836/sq ft in the highest value city locations. Notwithstanding that variation, BNPP recommends a single residential CIL rate of £60/sq m across the whole Greater Cambridge area

This broad-brush approach is difficult to reconcile with the report's own viability analysis. At paragraph 6.7, BNPP expressly states that for BLVs 3 and 4 the most relevant scenarios are likely to be lower-density developments adjoining existing settlements with lower sales values. The VA then accordingly identifies the £5,250/sq m (£488/sq ft) to £6,500/sq m (£604/sq ft) range as the most relevant sales-value band for those locations. The report therefore accepts that a rather significant proportion of future residential development and delivery, particularly on the edge-of-settlement strategic sites, will come forward in the lower-value market areas opposed to those higher premium areas in the city center (£800/sq ft+).

Once those lower-value scenarios are examined, the report's own data shows that the capacity to absorb CIL reduces materially. In Table 6.8.1, at £4,000/sq m (£372/sq ft), the introduction of CIL produces residual land value reductions of 26.9% to 54.1% for low-density edge-of-settlement houses/flats, 27.0% to 54.3% for a further edge-of-settlement typology, and 46.3% to 92.5% for another such scheme.

In Table 6.8.2, at £4,625/sq m (430/sq ft), the New Settlement typology records reductions of 16.4% to 33.1%, while low-density edge-of-settlement houses/flats record reductions of 24.1% to 49.0%. This demonstrates that, in the lower-value parts of the Greater Cambridge market, viability headroom falls rapidly as CIL is introduced.

In that context, it is notable that paragraph 2.29 of the report confirms that the CIL regulations permit charging authorities to apply differential rates by geographical zone, development type and scale, where justified by comparative viability evidence. Given the clear variation in values across Greater Cambridge, and the significantly weaker CIL headroom shown in the lower-value BLV3 and BLV4 scenarios in their own supporting evidence, it is reasonable to question why BNPP did not test a more refined value-band approach for residential development, rather than recommending a single authority-wide fixed rate.

Further, paragraph 6.13 acknowledges that where CIL cannot be passed back through a reduction in land value, the consequences may be a reduction in affordable housing delivery. That again points to the need for caution in the lower-value areas, where the evidence suggests that the ability to absorb a uniform residential charge is materially more constrained than in the higher-value Cambridge market.

In summary, the report's own evidence shows materially different value bands and different viability outcomes, yet BNPP has still recommended a single residential CIL rate across the whole of Greater Cambridge.

Commercial/Retail Development Revenues/Rents/Yields

As with their residential inputs, BNPP has consulted the available comparable evidence to derive valuation assumptions for their commercial development typologies. These have been arranged into five categories: Retail, Office/R&D, Industrial and Warehousing, Hotel, and Purpose Build Student Accommodation (PBSA).

Offices

Whilst we appreciate that the broad scope of BNPP's study requires some generalisations to be made, we would question the approach of analysing Office and R&D (now more commonly referred to as 'Labs') under the same valuation assumptions. Whilst these uses often sit side by side, the actual economics of office and lab development (in terms of associated rental values, yields and development costs) can vary significantly. This is evident in Bidwells' and Savills' most recent research publications in relation to the Cambridge property market, which highlight office rents between £48 per sq ft ('out of town') and £65 per sq ft (Grade A/'prime city centre') and lab rents from £57.50 per sq ft ('prime shell and core') to £72.50 per sq ft ('fitted').

In reality, even the lower figures in both ranges are above what can be achieved in the majority of the Greater Cambridge area, with Bidwells' Databook analysis focussing explicitly on more prime locations and stock.

For example, we have been supplied with current data from Cambridge Research Park, an out-of-town campus offering newly-refurbished office and lab space, indicating recently achieved rents of c.£28 per sq ft for offices and c.£46 per sq ft for fitted labs.

This is corroborated by market evidence from Cambridge Science Park, located on the northern edge of the city and offering a similar mix of modern office and lab accommodation. Most recently, office units at Cambridge Science Park have been letting at least £15 per sq ft below the prime city centre stock referenced in Bidwells' Databook.

BNPP's assumed rental value of £57 per sq ft across both office and lab uses therefore appears extremely optimistic as a basis for testing the viability of CIL, which will apply to all new office/lab developments across Greater Cambridge and not just the highly sought-after city centre schemes that BNPP's assumption appears to be based on.

Bidwells' Cambridge Offices and Labs Market Databook also indicates that labs only make up only circa one third of the available supply coming onto the market in Cambridge across the two uses, with the majority of this concentrated in a small number of locations.

BNPP's proposed investment yield for the combined office/lab category (6%) sits broadly in the middle of a range of 5.25%-6.5% established through reference to the above research. However, given the greater representation of office properties in the sample, and the fact that the research clarifies the upper value in the range (6.5%) as being for prime/Grade A office space, we question whether BNPP's assumption is truly representative of the Greater Cambridgeshire office market as a whole. The lowest office yield outside London quoted in Knight Frank's current Prime Yield Guide is 6.5% ('Major Regional Cities'), which may still be relatively optimistic for Cambridge given the Grade A value evidenced above. We would request

that BNPP reviews this element of their appraisal and gives greater consideration to the balance and specification of office and lab accommodation that is likely to come forwards in the area.

As noted elsewhere in this representation, we do not consider it appropriate for a CIL viability testing study to adopt such bullish assumptions given the range of values, costs and general market conditions that are likely to be experienced over the lifetime of the Charging Schedule.

Retail

We have undertaken a review of recent retail lettings in Cambridge city centre and the surrounding area to sense-check BNPP's assumptions in this regard (£675 per sq m/£62.50 per sq ft in the 'City' and £325 per sq m/£30.19 per sq ft 'Elsewhere'). We have filtered our search, using Costar, to leases agreed within the last three years for newer properties built since 2000. The full dataset is provided below as **Appendix 1**.

Aside from two outliers, the comparable evidence indicates that BNPP's proposed rental values are significantly higher than what can be achieved in the two sub-areas. For example, a new unit of c.5,000 sq ft at Brookgate's CB1 development, located opposite the station, was leased to Tesco in September 2024 at £42.06 per sq ft. More recently, a smaller unit of 1,317 sq ft at 1 Brookgate leased to Costa Coffee, with the Costar listing indicating an asking rent of £29.50 per sq ft. On this basis, BNPP's current town centre assumption of £62.50 per sq ft appears extremely optimistic.

Further out of the centre, two lettings at the new Great Kneighton development in Trumpington and a further letting at 3-7 Eddington Square indicate a rental tone of c.£20 per sq ft, therefore far below BNPP's current lower assumption of £30.19 per sq ft.

As these comprise recent lettings in new developments, we would request that BNPP reviews its assumptions for retail rental values in light of this comparable evidence.

Notwithstanding the above, BNPP's adopted yield of 7% appears broadly reasonable following our review of the available investment sale evidence for retail properties and wider market research including the latest Knight Frank Prime Yield guide.

Industrial and Warehousing

BNPP has adopted a rental value of £195 per sq m (£18.11 per sq ft) for the purpose of testing the viability of its industrial typologies, which we note assume B2/B8 use across units of between 4,000-6,000 sq m. Based on our own analysis, this appears to sit within the expected range, with Bidwells' March 2025 Cambridge Industrial Market Databook indicating rents between £15.50 per sq ft for 'good secondary' and £25.75 per sq ft for 'prime mid-tech' industrial units in this market area.

BNPP's yield assumption does, however, appear somewhat optimistic at 5%. Our review of the current market research indicates that this should be regarded as a 'prime' yield. Given that the industrial development schemes to be delivered across Greater Cambridge are likely to be a mix of prime and secondary (both in terms of specification and location), we would recommend that a more cautious yield assumption of c.6% is adopted based on the available comparable evidence of completed investment sales.

Student/Co-living

We note that BNPP has analysed the economics of student housing development (commonly referred to as Purpose Built Student Accommodation or PBSA) in tandem with Co-living development. We would note that the former is a much more mature and established market, with Co-living only gaining traction outside of London relatively recently. As such, we would question the approach of assessing the viability of these uses as a combined category given the different risk profiles, rental values and other valuation considerations.

Nevertheless, we have consulted with Bidwells' PBSA specialists to understand the reasonableness of BNPP's valuation assumptions as set out at paragraph 4.10 of their report.

BNPP has assumed that a gross rent of £250 per week would be received (on the assumption of an ensuite room of 14 sq m NIA), which has then been netted back to £682 per sq m per annum on the basis of £3,200 operating costs per room per annum. Whilst we would not dispute the net:gross rent calculation, the gross figure appears to be at the upper end of the expected range based on Bidwells' current understanding of rent expectation across a wide sample of private developments and operators in the Cambridge market.

For example, for a standard en-suite room of the type and approximate size assumed by BNPP, we are aware of the following comparables:

- Anglia House, 217 Newmarket Road, CB5 (Yugo): £225-£235 per week
- The Railyard, Station Place, CB1: £238 per week
- The Cam Foundry, 315-349 Mill Road, CB1: £235 ('Bronze') - £255 ('Platinum') per week

We would strongly recommend that BNPP take a more conservative approach in light of the above and the remit of their study to ensure that the proposed CIL rate for this typology is viable. It is likely that the issue would be compounded for Co-living developments, which fall within the same category in BNPP's assessment and typically attract lower rental values than PBSA on a like-for-like basis, and higher yields given their relatively nascent status.

BNPP has capitalised the assumed net rental income at an investment yield of 4.75%. Whilst there is evidence that has historically been achievable in Cambridge, noting the sale of the 251-bed Brunswick House development at 4.76% NIY in 2018, yields have softened substantially in the interim due to challenges in the PBSA sector (including increased interest rates and changing investor sentiment).

Whilst not in the vicinity of Cambridge, Bidwells has recent experience acting on the acquisition of PBSA schemes in the London Borough of Southwark and the town centre of Guildford, Surrey, at yields of c.6-6.5%. We would therefore suggest that an assumption of at least 5.5% would be more appropriate for the purpose of the current exercise.

A final observation linking to our commentary on BNPP's build cost assumptions elsewhere in this representation, we note from the 'site details' tables provide at Appendix 2 of their report that an average GIA per bedroom of between 18-22 sq m has been assumed across their six Student/Co-living typologies. Given that this needs to reflect each room's proportionate share of communal facilities, corridors and ancillary space, we do not consider BNPP's allowance to be sufficient. A more market-facing assumption, based on a net room area of 14 sq m, would in our view be 25-26 sq m GIA/unit. The knock-on impact is that the total build costs for these typologies, applied on a £ per sq m GIA basis, is likely undercalculated, leading to an apparently more viable position than could be achieved by real-world Student/Co-living developments.

Hotels

In terms of hotel value assumptions, BNPP have assumed a rent of £530 per sq m (£49 per sq ft), a rent-free period of 12 months and a yield of 5.0%. BNPP's hotel sales evidence ranges from £83,039 to £242,424 per room. We note that BNPP have adopted a value rate of £200,000 per room, which is towards the higher end of their range. We query whether this is reasonable given the rate is reflective of the smaller, more boutique hotels referred to at Table 4.9.2 of their report.

We note that BNPP's approach assumes that the hotel typologies tested are let on a commercial leasehold structure. In our experience, hotels are often occupied by way of Management Agreements and not leases. Moreover, the source of BNPP's £530 per sq m rent has not been evidenced.

In our experience, hotels are conventionally valued with reference to their revenue-generating potential (using the profits method of valuation). In summary, in order to value a hotel, the valuer calculates the total annual revenue with reference to RevPAR (Revenue Per Available Room), minus operating expenses (staff, utilities, maintenance and management fees) to generate the Net Operating Income (NOI). The NOI is then capitalised at an appropriate yield. BNPP appear to have not considered this more conventional approach to hotel valuation, adopting the investment method instead. We query their approach to hotel valuation accordingly.

In any event, BNPP's yield of 5% is, in our opinion, too keen, over-stating viability. In terms of evidence, we note that the Knight Frank Yield Guide (March 2026)[1] currently places regional budget hotels, assuming 20-year income and five-yearly rent reviews, at a yield of 5.25%. Moreover, we understand that JAYNIC recently sold the 80-bedroom Travelodge Haverhill for £5.5 million, at a yield of 5.9%, reflecting £68,750 per key. In our opinion, a yield of between 5.5% and 6.0% would be more appropriate and in line with evidence, for the purposes of this exercise.

In summary, we consider BNPP's hotel value assumptions optimistic, which is over-estimating the viability of the hotel typologies tested.

2. Costs

Build Costs and External Works

The CIL VA relies on primarily BCIS benchmark data for its build cost assumptions. Whilst BCIS provides a useful reference point for viability and appraisal modeling, it may not in many cases fully reflect the cost environment currently faced by developers within Greater Cambridge. For example, a smaller, housing-led rural site on an edge-of-city location would be considerably less constrained and costly to construct than an inner-city, flat led student accommodation scheme, built to a Passivhaus compliant regulation.

Construction costs as a whole remain elevated due to labour shortages, material cost volatility, and infrastructure delivery, so benchmark data may therefore understate the current costs associated with delivering the complex development sites that drive the higher sales values.

Offices/Labs

In terms of build costs, the CIL VA adopts a base rate of £2,555 per sq m for office use, which is derived from BCIS data (albeit it is not stated what quartile this is reflective of, which is an omission). An allowance of 10% is added to the rate of £2,555 per sq m for external works (including car parking spaces), taking the total build cost rate to £2,811 per sq m (£261 per sq ft).

Bidwells is advising on the procurement and construction delivery of numerous office and labs developments in the Cambridge market at present. Accordingly, we have been supplied with a set of build cost data for such developments as summarised in the table. We are unable to disclose the specific project names in each case due to client confidentiality.

Project Ref	Type	Status	Base Date	NIA (ft2)	GIA (ft2)	£/ft2 GIA
1	New Build Lab Enabled to Shell and Core	On Site	Q4 24	130,000	206,000	364

[1] https://content.knightfrank.com/research/522/documents/en/investment-yield-guide-march-2026-12737.pdf

2	New Build Office to Cat A	On Site	Q4 25	334,000	545,000	444
3	New Build Office to Cat A	Pre Construction	Q4 25	105,000	162,000	464

In terms of benchmarking, BNPP's office build cost rate of £261 per sq ft is approximately 28% lower than Project 1 (which is lower in any event due to the Shell and Core fit out), 41% lower than Project 2 and just over 43% lower than Project 3.

Our build cost data strongly indicates that BNPP's build cost assumptions for offices/labs have been significantly underestimated, which is overestimating the viability of these typologies.

Residential

Table 4.11.1 of the CIL VA of the CIL VA adopts BCIS base build costs of £1,608 per sq m for houses and £1,858 per sq m for flats, with 15% applied for external works, taking their total residential build cost rates to £1,849 per sq m (£172 per sq ft) and £2,044 per sq m (£190 per sq ft) respectively.

In terms of benchmarking, we have been provided with a cost plan for a residential flatted scheme that is currently the subject of a financial viability assessment. We are not able to disclose the address of the site at this stage for reasons of confidentiality; however, the full cost plan will be disclosed to the Council when the viability assessment is submitted in c. April 2026.

Excluding external works, the build costs for this project reflect approximately £245 per sq ft GIA; and including external works they reflect approximately £273 per sq ft GIA. Inclusive of external works, the build costs for this project are approximately 44% higher than BNPP's build cost assumptions for flatted developments, again indicating that they have significantly underestimated build costs for their flatted residential typologies.

Bidwells has extensive experience procuring, reviewing and agreeing residential scheme cost plans for planning application viability purposes. BNPP's assumption of £190 per sq ft is far below anything we have seen across a range of flatted schemes and locations in recent years, particular for the higher density typologies tested by BNPP.

Appendix 2 sets out further, project-specific evidence provided by Bidwells' clients, clearly demonstrating that BNPP's build cost assumptions are below realistic market level assumptions.

The residential typologies of 50 units and above generally adopt an average unit size of 102 sq m per dwellings. On this basis, this equates to between £18,952 and £24,602 per plot, based on the BCIS lower quartile rate applied by CIL VA within their appraisals for 50+ unit schemes.

In Bidwells' experience, including discussions with quantity surveyors on relevant sites, normal off-plot site costs for a medium to large residential scheme may reasonably be expected to be in the region of £20,000-£30,000 per plot. For the avoidance of doubt, this would exclude any additional abnormal costs (for example, highways upgrades or deepened/piled foundations) that may be incurred on individual sites.

We therefore have significant concerns that the CIL VA has undercalculated the normal cost of delivering the larger typologies tested, with a potential shortfall of between £1,048 to £11,048 per plot, equating to a sum of circa £104,800 to £1.10 million on a typical scheme of 100 dwellings, before allowing for any abnormal or site-specific infrastructure costs.

The CIL VA includes an allowance of approximately £29,070 per dwelling for utility upgrades and estate roads, however, the basis for this figure is not clearly explained. Strategic development sites frequently require substantial site servicing works, including utility upgrades, new road networks and drainage infrastructure, which may quite quickly, well exceed this allowance.

Furthermore, there is no mention of any contingency allowed for within the development costs heading and assumptions, which could be an omission. Given the common uncertainties associated with site servicing and delivery, the absence of a contingency allowance risks presenting a best-case scenario, rather than a realistic viability assessment. We consider that a contingency of 5% would be more realistic, and have seen this widely adopted in site-specific viability assessments for both greenfield and brownfield development (the latter as a minimum).

Moreover, the draft Net Zero Carbon policy in the Greater Cambridge Local Plan requires new developments to meet significantly enhanced performance standards (including strict energy use intensity caps, mandatory low-carbon heading, gas-free design, and on-site renewable generation sufficient to offset total annual energy use), all of which collectively place build specifications well above what is reflected in average BCIS build costs. Considering, BNPP have utilised primarily BCIS benchmark data, there is a clear disconnect between policy aspirations and BNPP's optimistic build cost inputs, and no consideration to the true cost of building akin to Passivhaus standards.

As build costs are clearly understated, given that BNPP's residential sales values and commercial value assumptions are at the upper end of a reasonable range, cumulatively this overstates the actual capacity of new residential and office/lab developments to absorb any CIL costs.

Professional Fees

The CIL VA includes an allowance of 7% on build costs for professional fees, including design, valuation, highways consultants and so on. However, BNPP have not provided a specified list of what is included within professional fees. Strategic development sites will often require site-specific works and therefore consultants.

In addition, the CIL VA states that the allowance they have assumed of 7% is at the middle to higher end of the range for most schemes. In practice, professional fees commonly fall between 8% - 12%. A 7% allowance is below the realistic range given the increasing complexity of planning requirements, site-specific constraints, and the rising number of specialist technical input required. We consider an allowance for professional fees in the range of 9%-10% would be more realistic, and have seen this widely adopted in numerous Local Plan viability assessments. Please see **Appendix 2** for further evidence with regard to Professional Fees.

Development Finance

The CIL VA states that development finance can be secured at 7% inclusive of arrangement and exit fees, falling to 6% - 6.5% within 12 months. This remains materially understated for the purposes of robust viability testing.

PLC housebuilders typically fund development through balance sheets, revolving credit facilities, or in some cases equity rather than project specific finance. As a result, their effective cost of capital is materially lower and does not represent the market reality. However, a 7% development finance rate is unlikely to be reflective of current market conditions. The cost of debt across the sector remains elevated due to broader macroeconomic and geopolitical certainty.

Additionally, the assumption does not reflect market conditions for SME housebuilders who are also responsible for housing delivery within Greater Cambridge. Unlike PLC housebuilders, SMEs rely on project-specifc development finance. This commonly falls within the 8%-12% range, driven by geopolitical

instability, supply chain risks and continued market uncertainty.

Therefore, the adoption of a uniform 7% rate understates the true cost of capital for both SME and PLC housebuilders. It also seems even more optimistic given the current geopolitical circumstances in the Middle East, which could have a notable impact on inflation, in the same way that Russia's invasion of Ukraine resulted in a surge in inflation in 2022. BNPP's assumption risks overstating scheme viability, and therefore setting a CIL charge that could suppress delivery. We consider a more realistic development finance assumption of between 8% - 10% to reflect the prevailing market conditions, rather than optimistic forward projection, unaligned with current market conditions.

Marketing Costs

The CIL VA assumption of 2.5% for marketing costs, including show homes and agents' fees, together with 0.25% for sales legal fees, significantly understates the true level of costs incurred in delivering residential development. Industry standard benchmarks indicate that marketing costs typically fall within the range of 1% to 1.5% of GDV, with a further 0.75% to 1.25% required to fund show home construction and fit-out, and 1% to 2% commonly applied for agents' commissions alone.

Sales legal fees similarly tend to fall between 0.35% to 0.5% of GDV, reflecting the complexity of residential plot conveyancing, purchaser enquiries and relevant documentation. Specifically, in the current market, additional purchasers' incentives may also be required to maintain sales rates.

In total, accepted practice supports a combined sales and marketing allowance of 3% to 5% of GDV, materially above the CIL VA assumption.

There is a clear disconnect between costs and values here. If values are set at the upper end of a reasonable range (as per BNPP's approach), it is essential that sufficient market and disposal costs are allowed for to realise this value. We therefore query whether sufficient costs have been allowed for in order to generate BNPP's aspirational values.

Biodiversity Net Gain (BNG)

The CIL VA has applied a flat allowance of 1.4% of build cost for delivering 20% BNG. Available national evidence indicates that this figure is unlikely to reflect the actual cost of achieving such a high uplift, particularly on greenfield sites which are most likely to come forward within Greater Cambridge and typically have higher baseline biodiversity than brownfield sites.

Furthermore, where on-site delivery capacity is constrained, developers will need to rely on off-site units, through either credit banks or statutory biodiversity credits, with an average cost of credit in Cambridgeshire being £20,000 for a medium distinctiveness habitat (for example, neutral grassland and mixed scrub), £35,000 for a high distinctiveness habitat (for example, lowland calcareous grassland, lowland meadow and traditional orchard), and £90,000 for a more niche habitat (for example, watercourse).

In this context, a uniform 1.4% allowance risks materially understating the financial impact of a 20% BNG policy on scheme viability across Greater Cambridge. This is supported by the recent IPF "Biodiversity Net Gain Regulations – Opportunites and Challenges" report, which found that delivering 10% BNG typically costs between 0.1% and 3.9% of total development cost for greenfield residential development.

Several factors highlighted in the report, such as the difficulty of delivering BNG on constrained or high-density sites, the need to purchase off-site units where on-site provision is not viable, and the higher costs associated with achieving uplift in areas with high baseline biodiversity, indicate that the upper end of the range outlined above is likely associated with more challenging schemes. There same factors would logically apply with even greater force with a 20% BNG requirement.

We consider that a 3% allowance would be more realistic due to the policy requirement of delivereing 20% BNG uplift, double the national requirement.

Section 106 costs

The CIL VA adopts a series of standardised assumptions in respect of Section 106 contributions, such as:

- £25/sq ft for non-residential development
- £25,000 per dwelling for residential development
- £46,000 per dwelling for major strategic site allocations

Whilst it is acknowledged that plan-wide viability assessments require a degree of estimation, there is limited evidence provided within the CIL VA to demonstrate that these figures accurately reflect the full extent of the Section 106 obligations typically secured within Greater Cambridge.

A key omission within the CIL VA is the treatment of indexation. In practice, many Section 106 contributions are subject to indexation, typically linked to construction cost indices such as the BCIS All-In Tender Price Index. As a result, the headline figures assumed within the appraisal are unlikely to reflect the actual costs incurred at the point of implementation.

The CIL VA does not clearly demonstrate how indexation has been incorporated within the modeling. Failure to account for indexed contributions of risks systematically understating Section 106 costs, particularly over the lifetime of the charging schedule.

CIL VA states £25/sq ft for non residential development and £25,000 per dwelling for residential or £46,000 per dwelling for major strategic site allocations. It should be noted that indexation will be applied to certain contribuitions and that this will need to be added to the overall figures.

Building Safety Levy

The CIL VA should make clear how the forthcoming Building Safety Levy has been incorporated into the viability testing. Table 4.27.1 identifies the draft levy rates for Greater Cambridge, but the report does not clearly explain how that additional cost has been reflected in the appraisal outputs. Given that the levy is now a known cost chargeable on private residential floorspace from October 2026, with differential brownfield and greenfield rates, the assessment should confirm that relevant schemes have been tested with this additional cost burden in place. In the absence of that clarity, there is a risk that the appraisal again overstates the capacity of development to absorb CIL and other policy costs.

Development and Sales Periods

The CIL VA assumes a sales rate of 6 dwellings per month increasing up to 8 dwellings per month with improved market conditions. There is no specification whether the assumed sales rate is based on per outlet or per site.

Furthermore, market evidence from recent residential schemes in Cambridgeshire indicates that the assumed sales rate of 6 dwellings per month significantly overstates realistic absorption levels. Even well-located and actively marketed schemes are achieving sales rates closer to 2 to 3 dwellings per month, reflecting current purchaser demand, mortgage market constraints and broader economic conditions. This more modest sales period is consistent with delivery patterns across the Cambridgeshire market and results in extended sales periods, with limited scope for meaningful off-plan sales.

When the above, more accurate sales periods are applied, development cashflow materially lengthens and scheme viability correspondingly weakens.

Developer's Profit

The CIL VA has assumed 17.5% of private GDV for testing purposes, reflective of the range of sales values in Cambridgeshire. This sits below widely-recognised viability benchmarks and under-prices the risk developers are carrying in the current market.

Evidence commissioned for other CIL examinations indicates that a site-level net margin of 20% to 25% of GDV is the appropriate hurdle rate in typical market conditions, before allowing for exceptional planning or significant abnormal costs. On that basis, a minimum of 20% on private GDV should be justified in today's market, potentially even rising to 25% on riskier, more complex brownfield regeneration sites to reflect funding requirements and deliverability.

We note that Greater Cambridge Shared Planning commissioned an earlier area-wide viability study, produced by Aspinall Verdi in 2021[2], to support the plan-making process. As part of this study, Aspinall Verdi made an allowance of 20% profit on GDV for private (market) housing.

BNPP's justification that a lower profit allowance is acceptable because of local sales values and therefore less exposure to volatility is not supported by current market evidence. Geopolitical and economic factors support a fragile pricing market in Cambridgeshire rather than one insulated from fluctuations. These conditions weaken absorption rates and elevate sales risk, meaning the assumption that BNPP has made of robust and reliable values is not credible. Any profit expectation predicated on inflated or overly optimistic sales values will distort viability outcomes.

A return of around 6% on affordable housing GDV is broadly appropriate given the limited sales risk to the developer in scenarios where units are forward-sold to a Registered Provider (RP). However, it is important to recognise that RP appetite is not guaranteed, and in the current affordable housing market this represents a growing source of risk for developers.

Across many regions, RP's have become increasingly selective about acquisitions, with well-documented periods where they are not actively bidding on new stock. This is largely driven by the timing and availability of grant funding cycles, which can significantly restrict RP capacity to commit to purchases at the point schemes require certainty. As a result, developers can be left holding affordable units for longer, renegotiating terms, or facing delayed or reduced receipts. While these risks are lower than private sales exposure, they are nonetheless material and should be acknowledged when considering the overall risk profile of a scheme and the reasonableness of assumed profit levels.

We agree that 15.0% profit on GDV is commonly adopted as a profit allowance (target) in respect of commercial developments in viability testing; the justification being that this reflects (in principle) the opportunity to pre-let the accommodation and/or dispose of the completed scheme as a single investment transaction upon completion.

In the event that this is feasible, this reduces risk compared with conventional residential development, which usually relies upon sales of multiple individual properties. Given the current economic climate (domestically and internationally) at present, in our view, 15.0% should be seen as the lower end of a reasonable range for viability testing commercial developments.

[2] https://consultations.greatercambridgeplanning.org/sites/gcp/files/2021-09/First%20Proposals%20Viability%20Report.pdf

Exceptional Costs

CIL VA assumes no allowance for 'atypical' works and deemed an 'average' level of costs for ground conditions and some other abnormal costs already reflected in BCIS data. Although we agree in relation to not applying a blanket abnormal cost percentage, and have regard to this being a very specific site cost, we disagree with regard to some abnormal costs being included within and reflected in BCIS.

The BCIS Elemental Standard Form of Cost Analysis distinguishes facilitating works (including but not limited to remediation, major demolition, and ground improvement) from the building elements and states such works are often a separate project to be analysed, not embedded within the BCIS base build cost.

Therefore, BCIS elemental benchmarks represent typical building works only and do not provide a blanket allowance for site-specific abnormals. National guidance similarly recognises that abnormal costs on brownfield land are inherently uncertain and require explicit estimation, as they can materially affect viability. Relying on BCIS alone, without an abnormal allowance, would overstate viability.

3. Benchmark Land Value

Benchmark Land Value ("BLV") is a core component in any viability assessment as it represents the minimum value at which a landowner could reasonably be expected to release a site for development. If the development scheme cannot demonstrate a residual land value at least at the level of the BLV, factoring in relevant policy requirements (and in this case, CIL), it is unlikely that the scheme would be delivered and would therefore be assessed as unviable.

The Planning Practice Guidance establishes a framework for the assessment of BLV and we note that BNPP's overarching approach is in general conformity with this, referring to the assumed Existing Use Value ("EUV") of the site typologies in question and applying a 'premium' in recognition of the financial incentive required by landowners to sell their property.

Greenfield

Dealing firstly with greenfield sites, which are expected to be a significant source of housing delivery in Greater Cambridge, BNPP has tested viability for 'higher value greenfield (smaller sites)' against a BLV of £370,000 per gross hectare (c.£150,000 per acre) and 'lower value greenfield (larger sites)' at a BLV of £250,000 per gross hectare (c.£101,000 per acre). It is claimed that these reflect a typical range of agricultural land values (£20,000-£23,000 per gross hectare / c.£8,000-£9,300 per acre) plus a 12.5-18.5x uplift to incentivise the owner. We wish to raise a number of issues in this regard.

Firstly, we consider that the quoted range of agricultural values is out of step with the current market for land of this nature. For example, the most recent Farmland Market Update produced by Carter Jonas (Q4 2025) indicates an average range for the East of England region of £8,000-£16,500 per acre, reflecting the variety of 'existing uses' that farmland may be in and its suitability for that use (arable, pasture, paddock etc.).

Furthermore, Strutt & Parker's latest English Estates & Farmland Market Review indicates national averages of £8,600/acre for pasture and £11,000/acre for arable land, which we consider are likely to be conservative figures for Cambridgeshire particularly given that it is known for the high quality of its arable farmland. Strutt & Parker also found that almost 70% of all arable land sold nationally in 2025 achieved a price in excess of £10,000/acre.

On this basis, BNPP appear to have been overly optimistic (in viability terms) as to the price at which greenfield land would be made available for development. As a further illustration, if a baseline average land value of £10,000 per acre were to be assumed, as supported by the above evidence, BNPP's overall

BLVs would represent only a 10-15x uplift, therefore sitting at the lower end of the 10-20x range often quoted by policymakers in a viability testing context.

BNPP notes at paragraph 4.37 of their report that the adopted range of greenfield BLVs "is reflective of typical minimum option pricing for greenfield development land". This does not align with Bidwells' recent experience advising on option and promotion agreements. We recently undertook an analysis of minimum price provisions in a lower value area (Leicestershire) across a broad sample of sites controlled by housebuilding developers, finding that a minimum return in the region of £275,000-£300,000 per net acre had generally been negotiated. Assuming a relatively conservative net:gross area ratio of 60%, this would indicate an equivalent value of £165,000-£180,000 per acre, therefore exceeding BNPP's tested range before an adjustment for Cambridgeshire land values is considered.

Finally, we note that the Aspinall Verdi CIL Viability Study (2021) adopted an agricultural EUV of £10,000 per acre as a starting point for calculating greenfield BLVs. Given the general appreciation in agricultural land values evidenced in the intervening five years, it is in our view clear that BNPP's assumption of £8,000-£9,300 per acre is overly conservative as the basis for their greenfield BLV calculations.

Brownfield

BNPP has adopted the same EUV-derived approach to BLV for two brownfield site typologies, reflecting 'secondary offices' and 'secondary industrial' use. As is conventional for brownfield sites, a percentage uplift is applied (rather than a multiplier as with greenfield sites) to account for a landowner incentive to release the site, resulting in BLVs of £10.25 million per gross hectare (£4.15 million/acre) and £3.54 million per gross hectare (£1.43 million per acre) respectively.

Relevant guidance is not prescriptive as to the level of premium to be applied in such instances, although BNPP's assumption (20%) both for office and industrial sites is broadly in line with expectations based on Bidwells' experience advising on application-stage viability for brownfield sites.

We would, however, question the rationale underpinning BNPP's proposed brownfield EUVs. This includes the baked-in assumptions that 1) the landowner considers the existing use and/or condition of the site to be sub-optimal, 2) the existing use attracts limited demand and, as a result, 3) the average brownfield site with redevelopment potential is only capable of generating rental income in the lower quartile for the area.

For the purpose of a plan-wide viability study, particularly in a highly desirable area with a thriving economy such as Cambridgeshire, we consider this to represent an overly pessimistic assessment of the local commercial property market. By approaching their analysis in this way, there is a risk that BNPP has underestimated a typical landowner's reasonable price expectations, leading to an optimistic assessment of the level of CIL that can be sustained by the relevant development typologies without jeopardising delivery.

It should also be remembered that 'brownfield' is a very broad category, encompassing many different uses beyond the two (office and industrial) tested by BNPP. Whilst some will indeed be suboptimal for their location, we do not consider that this should be the working assumption in the viability study, and BNPP's approach of testing viability against just two of the (lower value) uses that might be expected in this category is in our view flawed.

We note that BNPP's brownfield BLV calculations have been further suppressed by the application of a cost allowance for the refurbishment of the property. We are therefore concerned that the 'secondary' nature of these site typologies has effectively been double counted, with the assumed lower quartile rental value likely reflecting a property which is obsolete and/or in a poor state of repair despite the separate allowance to bring the property up to a standard which could command a higher rent.

We suspect a further adjustment will be required to BNPP's yield assumptions (7.5% and 6.5% for office and industrial, respectively) to reflect the improved condition and commercial desirability of the property following refurbishment, based on Bidwells' analysis of commercial yields elsewhere in this representation.

BLV Conclusion

Whilst we recognise that an area-wide viability study cannot practically reflect the full spectrum of sites on which development is expected to come forward, we do not consider it appropriate for the BLVs to be set at levels which, on the basis of the above, appear to be at the lower end of that spectrum for both greenfield and brownfield sites.

Concluding Remarks

As highlighted above, there are numerous instances in BNPP's CIL VA where in our view they have been too optimistic in terms of their inputs. Values have been set at the upper end of a range and costs have been set below realistic levels. There is a clear disconnect therefore between the costs of delivering development in Greater Cambridge vs actual realisable values. Evidence to this effect has been set out in this submission.

We therefore conclude that at present, the CIL VA is overstating the viability of the typologies assessed, which in turn is overstating the ability to sustain the proposed CIL. We urge Greater Cambridge and BNPP to reconsider their position on the viability inputs discussed above, update their modelling using more realistic figures, and reconsider the proposed CIL Charging Rates.

If this process is not undertaken we are of the view that it will run the risk of negatively impacting the viability and deliverability of development in Cambridge, which in turn is very likely to have knock-on consequences in respect of the ability of developments to sustain high design standards that are expected and public benefits such as affordable housing.

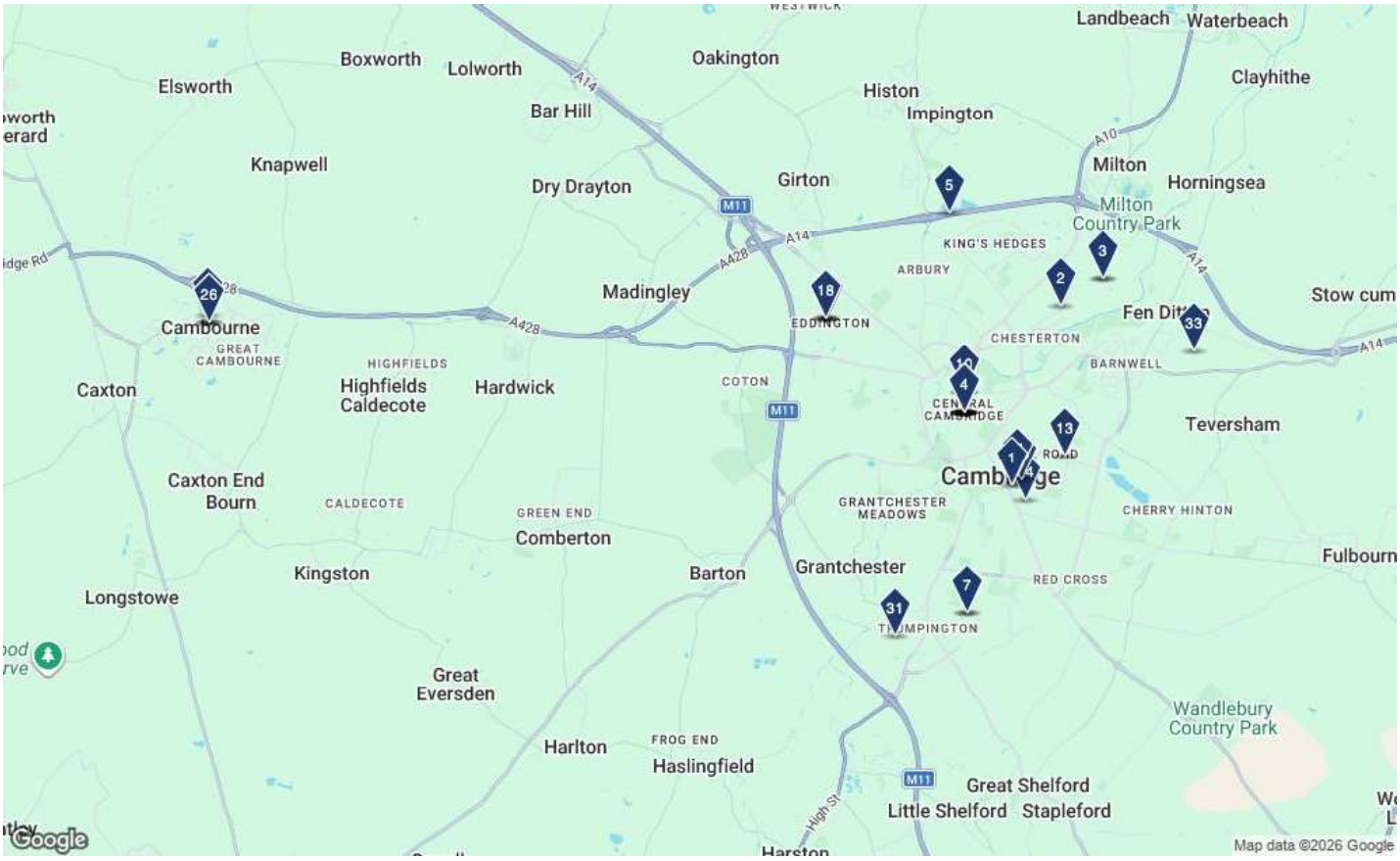
Yours sincerely



Alex Brown MRICS MRTPI
Partner, Land & Development

Signed for and on behalf of Bidwells LLP

Map, Summary, and List of Leases



Lease Activity Summary Statistics

Rent Attributes	Deals	Low	Average	Median	High
Asking Rent per Sq ft	10	£8.75	£25.22	£27.34	£33.78
Achieved Rent per Sq ft	11	£18.12	£40.33	£29.74	£111.78
Effective Rent per Sq ft	4	£17.51	£51.81	£41.74	£106.27
Asking Rent Discount	4	-6.7%	-1.7%	-0.0%	0.0%
Improvement Allowance per Sq ft	-	-	-	-	-
Months Free Rent	5	3.0	7.8	6.0	12.0

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	19	4	30	13	87
Lease Size	37	237 Sq ft	4,537 Sq ft	1,514 Sq ft	66,121 Sq ft
Term	14	10.0	12.9	10.0	25.0
Floor	37	GRND	GRND	GRND	2

Lease Activity List

	Property Name/Address	Rating	Floor	Space Use	Sign Date	Deal Type	Sq ft Leased	Rent
1	1 Brookgate	★★★☆☆	GRND	Retail	January 2026	Direct	1,317	£29.50/Sq ft Asking

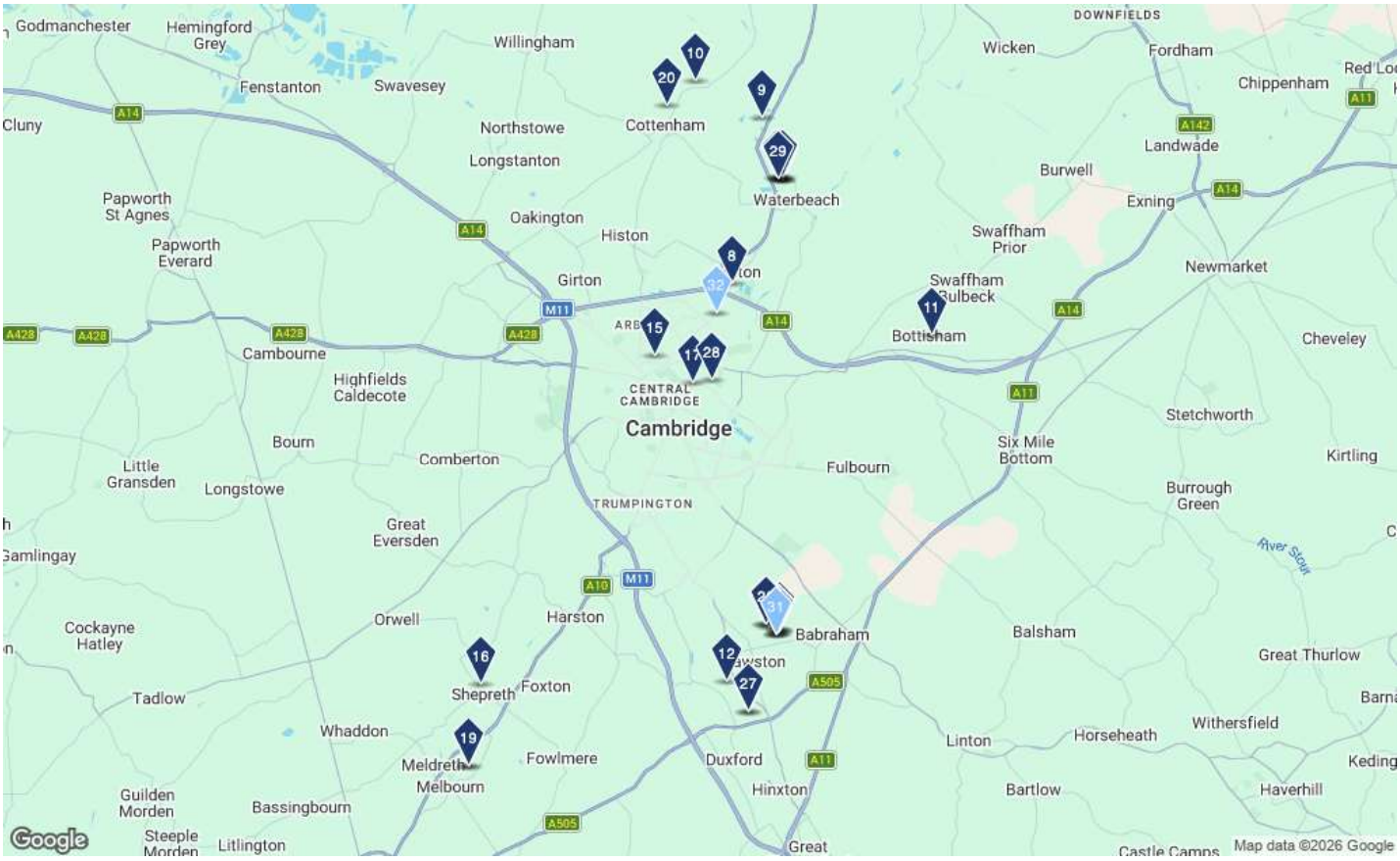
Lease Activity List (Continued)

	Property Name/Address	Rating	Floor	Space Use	Sign Date	Deal Type	Sq ft Leased	Rent
2	196 Green End Rd	★★★☆☆	GRND	Retail	January 2026	Direct	953	£25.18/Sq ft FRI Asking
3	One Cambridge Square	★★★★☆	GRND	Retail	December 2025	Direct	1,762	-
4	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	December 2025	Direct	3,000	-
5	Orchard Park Local Centre Chieftain Way	★★☆☆☆	GRND	Retail	October 2025	Direct	814	£33.78/Sq ft FRI Asking
6	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	September 2025	Direct	15,000	-
7	Virido Hobson Av	★★★☆☆	GRND	Retail	August 2025	Direct	2,207	£18.12/Sq ft FRI Achieved
8	Grand Arcade St Andrews St	★★★☆☆	2	Retail	August 2025	Direct	700	-
9	Grand Arcade St Andrews St	★★★☆☆	2	Retail	August 2025	Direct	4,000	-
10	6-18 King St	★★★☆☆	GRND	Retail	August 2025	Direct	1,328	£30.12/Sq ft Asking
11	50 & 60 Station Rd	★★★★☆	GRND	Retail	August 2025	Direct	1,514	£33.03/Sq ft FRI Achieved
12	Grand Arcade St Andrews St	★★★☆☆	2	Retail	July 2025	Direct	3,500	-
13	Dutch Corner 213 Mill Rd	★★★☆☆	GRND	Retail	April 2025	Direct	732	£40.64/Sq ft FRI Achieved
14	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	December 2024	Direct	3,905	-
15	Grand Arcade St Andrews St	★★★☆☆	1	Retail	November 2024	Direct	15,600	-
16	3 Station Sq	★★★☆☆	GRND	Retail	September 2024	Direct	4,874	£42.06/Sq ft Achieved
17	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	July 2024	Direct	10,000	-
18	3-7 Eddington Sq	★★★☆☆	GRND	Retail	July 2024	Direct	829	-
19	6-18 King St	★★★☆☆	GRND	Retail	July 2024	Direct	1,566	-
20	6-18 King St	★★★☆☆	GRND	Retail	July 2024	Direct	953	-
21	3-7 Eddington Sq	★★★☆☆	GRND	Retail	July 2024	Direct	807	-
22	6-18 King St	★★★☆☆	GRND	Retail	July 2024	Direct	237	-
23	Virido Hobson Av	★★★☆☆	GRND	Retail	June 2024	Direct	1,281	£19.91/Sq ft Asking
24	Cambridge Leisure Park Clifton Way	★★★☆☆	GRND	Retail	December 2023	Direct	3,842	£17.51/Sq ft FRI Effective
25	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	December 2023	Direct	1,000	-
26	High St	★★★☆☆	GRND	Retail	October 2023	Direct	801	-
27	High St	★★★☆☆	GRND	Retail	October 2023	Direct	801	-
28	3-7 Eddington Sq	★★★☆☆	GRND	Retail	September 2023	Direct	829	£20.64/Sq ft FRI Effective

Lease Activity List (Continued)

	Property Name/Address	Rating	Floor	Space Use	Sign Date	Deal Type	Sq ft Leased	Rent
29	1-2 Eddington Sq	★★★☆☆	GRND	Retail	September 2023	Direct	2,045	£29.34/Sq ft Achieved
30	One Cambridge Square	★★★★☆	GRND	Retail	August 2023	Direct	4,026	£106.27/Sq ft FRI Effective
31	Trumpington Mdws	★★★☆☆	GRND	Retail	August 2023	Direct	778	£25.71/Sq ft FRI Achieved
32	The Railyard Station Rd	★★☆☆☆	GRND	Retail	August 2023	Direct	1,345	£29.74/Sq ft Achieved
33	Marleigh Newmarket Rd	★★★☆☆	GRND	Retail	July 2023	Direct	3,144	£8.75/Sq ft Asking
34	Morrisons Broad St	★★★☆☆	GRND	Retail	July 2023	Direct	66,121	-
35	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	June 2023	Direct	3,520	-
36	Grand Arcade St Andrews St	★★★☆☆	GRND	Retail	May 2023	Direct	2,012	£62.83/Sq ft FRI Effective
37	High St	★★★☆☆	GRND	Retail	March 2023	Direct	743	-

Sale Comps Map and List



Sale Comparables Summary Statistics

Sale Attributes	Low	Average	Median	High
Sale Price	£175,000	£2,543,936	£1,779,235	£16,900,000
Sale Price Per Sq ft	£31	£134	£114	£301
Yield	6.0%	6.4%	6.4%	6.7%
Land Price Per ac	£221,945	£2,871,812	£3,193,660	£25,629,292
Property Attributes	**Low**	**Average**	**Median**	**High**
Building Sq ft	1,383 Sq ft	16,290 Sq ft	11,870 Sq ft	56,157 Sq ft
Year Built	1950	1987	1985	2019
% Leased At Sale	0.0%	78.0%	100%	100%
Star Rating	★★☆☆☆ 2	★★☆☆☆ 2.6	★★★☆☆ 3	★★★☆☆ 3

Summary Statistics exclude For Sale and In Exchange listings

Sale Comps List

	Property Name Address	Type	Built/Renovated	Size (% Leased)	Sale Date	Price	Yield
1	Lion Works: Suite 1 1-5 Station Road East Whittlesford CB22 4WL	Industrial Unit ★★☆☆☆ Part of a Portfolio	1980	10,176 Sq ft	01/10/2025	Not Disclosed	-

Sale Comps List (Continued)

	Property Name Address	Type	Built/Renovated	Size (% Leased)	Sale Date	Price	Yield
2	Industrial Unit: Suite 13 11-13 Pembroke Av Waterbeach CB25 9QP	Industrial Unit ★★☆☆☆ Part of a Portfolio	1983	4,596 Sq ft	16/07/2025	Not Disclosed	6.55% Actual
3	Industrial Unit: Suite 12 11-13 Pembroke Av Waterbeach CB25 9QP	Industrial Unit ★★☆☆☆ Part of a Portfolio	1983	2,832 Sq ft	16/07/2025	Not Disclosed	6.55% Actual
4	Industrial Unit: Suite 11 11-13 Pembroke Av Waterbeach CB25 9QP	Industrial Unit ★★☆☆☆ Part of a Portfolio	1983	2,804 Sq ft	16/07/2025	Not Disclosed	6.55% Actual
5	Industrial Unit: Suite 3-5 3-7 Pembroke Av Waterbeach CB25 9QP	Industrial Unit ★★★☆☆	1980	14,450 Sq ft	03/07/2025	£2,045,880 (£141.58/Sq ft)	6.00% Actual
6	3-7 Pembroke Av Waterbeach CB25 9QP	Warehouse ★★★☆☆	1980	22,170 Sq ft (100%)	04/06/2025	£725,000 (£32.70/Sq ft)	6.72% Actual
7	The Warehouse Convent Dr Waterbeach CB25 9QT	Warehouse ★★☆☆☆	1970	10,741 Sq ft (80.0%)	02/06/2025	Not Disclosed	-
8	Industrial Unit: Suite 123 121-123 Cambridge Rd Milton CB24 6AT	Industrial Unit ★★★☆☆	1995	1,383 Sq ft	28/04/2025	£175,000 (£126.54/Sq ft)	-
9	Building 2000 Beach Rd Cambridge CB25 9TE	Light industrial ★★★☆☆ Part of a Portfolio	2002	20,500 Sq ft (50.0%)	21/10/2024	£4,763,366 (£232.36/Sq ft)	5.49% Actual
10	Brookfield Business Centre Twentypence Rd Cottenham CB24 8PS	Warehouse ★★☆☆☆	1983	3,317 Sq ft	01/10/2024	£300,000 (£90.44/Sq ft)	-
11	56 High St Bottisham CB25 9DA	Light industrial ★★★☆☆	1970	7,122 Sq ft (100%)	21/08/2024	Not Disclosed	-
12	Whittlesford Mill Mill Ln Cambridge CB22 4NF	Industrial ★★★☆☆ Part of a Portfolio	1970	27,939 Sq ft (100%)	15/03/2024	£2,588,262 (£92.64/Sq ft)	-
13	Industrial Unit: Suite P2 P1-P3-P3 Grove Rd Cambridge CB22 3TJ	Light industrial Unit ★★☆☆☆ Part of a Portfolio	2006	5,464 Sq ft	01/03/2024	£1,491,983 (£273.06/Sq ft)	-
14	Unit L-P Grove Rd Cambridge CB22 3TJ	Industrial ★★★☆☆ Part of a Portfolio	1990	36,456 Sq ft (50.0%)	01/03/2024	£1,408,017 (£38.62/Sq ft)	-
15	126-128 Victoria Rd Cambridge CB4 3DZ	Light Manufac-turing ★★☆☆☆	1961	6,177 Sq ft (100%)	08/02/2024	£1,245,000 (£201.55/Sq ft)	-
16	29 Station Rd Shepreth SG8 6GB	Light Manufac-turing ★★★☆☆	1985	32,799 Sq ft (0%)	30/11/2023	£2,500,000 (£76.22/Sq ft)	-
17	61 New St Cambridge CB1 2QX	Industrial ★★☆☆☆ Part of a Portfolio	1950	4,463 Sq ft	20/10/2023	£555,796 (£124.53/Sq ft)	-
18	Melbourn Science Park 13-16 Cambridge Rd Melbourn SG8 6EE	Light industrial ★★☆☆☆ Part of a Portfolio	1996	15,209 Sq ft	16/10/2023	£475,459 (£31.26/Sq ft)	-
19	Melbourn Science Park Cambridge Rd Melbourn SG8 6EE	Industrial ★★☆☆☆ Part of a Portfolio	1996	3,936 Sq ft	16/10/2023	£208,856 (£53.06/Sq ft)	-

Sale Comps List (Continued)

	Property Name Address	Type	Built/Renovated	Size (% Leased)	Sale Date	Price	Yield
20	Light industrial Unit: Suite L Broad Ln Cottenham CB24 8SW	Industrial Unit ★★★☆☆	1985/2008	4,144 Sq ft	17/07/2023	£365,000 (£88.08/Sq ft)	-
21	Cambridge South Grove Rd Cambridge CB22 3TJ	Industrial ★★★☆☆ Part of a Portfolio	2019	46,924 Sq ft (100%)	15/06/2023	£6,753,913 (£143.93/Sq ft)	4.50% Actual
22	Dales Manor Business Park P1-P3-P3 Grove Rd Cambridge CB22 3TJ	Industrial ★★☆☆☆ Part of a Portfolio	2006	28,901 Sq ft (74.0%)	15/06/2023	£2,921,500 (£101.09/Sq ft)	4.50% Actual
23	Dales Manor Business Park Grove Rd Cambridge CB22 3TJ	Industrial ★★★☆☆ Part of a Portfolio	1986	19,771 Sq ft (100%)	15/06/2023	£2,456,996 (£124.27/Sq ft)	4.50% Actual
24	Dales Manor Business Park Grove Rd Cambridge CB22 3TJ	Industrial ★★★☆☆ Part of a Portfolio	2000	23,189 Sq ft (100%)	15/06/2023	£2,344,100 (£101.09/Sq ft)	4.50% Actual
25	Cambridge South Grove Rd Cambridge CB22 3TJ	Industrial ★★★☆☆ Part of a Portfolio	2018	13,000 Sq ft (100%)	15/06/2023	£1,955,515 (£150.42/Sq ft)	4.50% Actual
26	Cambridge South Grove Rd Cambridge CB22 3TJ	Industrial ★★★☆☆ Part of a Portfolio	2019	10,578 Sq ft (100%)	15/06/2023	£1,602,954 (£151.54/Sq ft)	4.50% Actual
27	Lion Works Station Rd Whittlesford CB22 4WL	Light industrial ★★☆☆☆	1980	10,868 Sq ft (0%)	27/04/2023	£1,107,000 (£101.86/Sq ft)	-
28	Coral Park Trading Estate 23 Henley Rd Cambridge CB1 3DY	Service ★★★☆☆	1968	56,157 Sq ft (100%)	20/04/2023	£16,900,000 (£300.94/Sq ft)	-
29	Edward Leonard House Pembroke Av Waterbeach CB25 9QR	Warehouse ★★★☆☆	1990	20,920 Sq ft (100%)	17/04/2023	£2,184,000 (£104.40/Sq ft)	-
30	Industrial Unit: Suite 13 Babraham Rd Cambridge CB22 3JH	Light industrial Unit ★★★☆☆	2006	1,411 Sq ft	Pending	£245,000 (£173.64/Sq ft)	-
31	Industrial Unit: Suite 14 Babraham Rd Cambridge CB22 3JH	Industrial Unit ★★★☆☆	2006	1,454 Sq ft	Pending	£200,000 (£137.55/Sq ft)	-
32	9 Nuffield Rd Cambridge CB4 1TF	Warehouse ★★★☆☆	1980	11,714 Sq ft (0%)	Pending	Not Disclosed	-

COMMUNITY INFRASTRUCTURE LEVY DRAFT CHARGING SCHEDULE
VIABILITY REPRESENTATION
APPENDIX 2 – RESIDENTIAL BUILD COST AND PROFESSIONAL FEES EVIDENCE

COMMERCIALLY SENSITIVE - NOT TO BE DISCLOSED IN THE PUBLIC DOMAIN

Build Costs

We have been provided with actual build cost data for a residential development undertaken by Jesus College at Beech Farm, Harston, where a nine-unit scheme is currently being completed. The build costs (the evidence for which can be provided to BNPP/the Council by separate cover, should this be helpful) reflect approximately £295 per sq ft excluding professional fees.

We are also informed that the build costs associated with Jesus College's Station Road Villas development also reflect £363 per sq ft GIA for newbuild accommodation and £296 per sq ft GIA for refurbished accommodation. The specification is understood to be mid-level i.e. not assuming Passivhaus.

Professional Fees

In terms of professional fees evidence, we wish to highlight that in respect of Jesus College's development at Beech Farm, these actual costs reflect approximately 9% on build costs, notably higher than BNPP's 7% allowance.

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